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## CAD BULLETIN # 97-2

DATE: May 30, 1997  
TO: All Electric, Natural Gas, and Water Utilities  
FROM: Matthew F. Thayer, Director, Consumer Assistance Division

**Electric, gas, and water utilities are required to offer customers the right to witness meter tests. This Bulletin alerts utilities to the Commission's decisions concerning the accuracy of meter tests, the need to ensure that customers are made aware of their right to witness meter tests, and recommends that utilities adopt procedures to provide sufficient documentation to show compliance with Commission rules and policies concerning meter tests.**

On May 17, 1996, the Commission issued an Order On Appeal of a consumer complaint in which the Commission determined that the customer's meter malfunctioned and in which it required the utility to abate the entire amount of excess usage from the customer's account. The Commission found that the utility failed to sustain its burden to provide evidence that the meter did not malfunction because it failed to properly notify the customer of the right to be present when the meter was tested. This decision is consistent with previous Commission decisions (Palmquist in 1980 and Pickering in 1989) concerning this issue.

In 1992, the CAD adopted a written policy based on Commission actions in Palmquist and Pickering for resolving disputes that involve meter tests. That policy is now updated based on the Commission's 1996 decision. The CAD policy is:

1. If a meter test has been completed, the utility will be asked to provide proof that the utility offered the customer the right to witness the meter test and offered to schedule the test at a time the customer could be present. Actual notice to the customer must be achieved. The notice to the customer (written or verbal) must include a statement that historically, in the absence of a defective meter, the Commission has ruled that the customer is responsible for the cost of any electricity, natural gas, or water once it passes through the meter. The utility should encourage the customer to witness the meter test because this is the only opportunity to determine the accuracy of the meter. If proof of this offer to witness the meter test exists and the meter tested accurately, the CAD will not abate any portion of the customer's usage.



1. If the utility has not tested the meter as a result of the customer's complaint, the utility will be asked why a meter test was not offered and will be ordered to contact the customer, provide the customer with the opportunity to and reasons that the customer may find it important to witness the meter test, and schedule the meter test.
3. If the utility has no proof that the customer was provided the right to witness the meter test as described in item 1 above and the customer claims that the utility did not offer the right to witness the meter test, the CAD will do one of the following:
  - i. If the usage history shows unusual patterns, i.e., two years of consistent usage followed by a billing period that is abnormally high, we will abate the "excess" usage. The abatement is done by averaging the usage before the high usage period, taking seasonal patterns into consideration, and ordering an abatement of the difference between the high bill(s) and the average bill. We will also issue a violation letter to the utility for failure to provide the opportunity to witness a meter test.
  - ii. If the usage history does not show unusual patterns (usage has been consistent), we will not abate any portion of the bill. In these cases, we will issue a decision letter upholding the amount owed and issue a violation letter to the utility for failure to provide the opportunity to witness a meter test.

We strongly urge all electric, water, and gas utilities to adopt a procedure to ensure that customers are offered the right to witness meter tests and to ensure that the utility has evidence to indicate that it achieved customer notification. We believe this proof is best accomplished by designing a form letter that will offer a specific date and time that the utility initially plans to test the meter, informs the customer of the reliance on meter tests to decide responsibility for the billed amount, and urges the customer to be present or have someone represent him/her at the time the meter is tested. There should be a place to indicate whether or not the customer wishes to be present for the meter test (check boxes), a statement that if the customer wants to be present but cannot be available on the specified date that the customer should call at least 24 hours in advance to reschedule the test, and instructions for the return of the form to the utility.

It is, of course, possible that a customer may not respond to either an oral or a written notice of the right to attend a meter test. In such cases, the Commission has asked the utility to present evidence of consistent record keeping which indicates whether or not an invitation to observe a meter test was sent to the customer. Absence of proof of such routine record keeping has resulted in decisions in favor of the complaining consumer. Accordingly, you may wish to establish such procedures.

If you have any questions about this Bulletin, please contact Betty Bero, Senior Consumer Assistance Specialist, at 287-1399.